

under said laws shall continue and may be enforced in the same manner as if committed, and all penalties, forfeitures, or liabilities incurred prior to taking effect hereof, under any law embraced in, changed, modified, or repealed by this Act, may be prosecuted and punished in the same manner and with the same effect as if this Act had not been passed.

Prior acts, suits, etc., not affected, etc.

SEC. 8. Nothing in this Act contained, nor any powers herein conferred upon the Secretary of Commerce, shall abrogate or curtail the powers granted the Territorial Legislature of Alaska to impose taxes or licenses, nor limit or curtail any powers granted the Territorial Legislature of Alaska by the Act of Congress approved August 24, 1912, "To create a legislative assembly in the Territory of Alaska, to confer legislative power thereon, and for other purposes."

Legislature's taxing powers, etc., not curtailed.

Vol. 37, p. 512.

Approved, June 6, 1924.

CHAP. 273.—An Act To amend sections 11 and 12 of the Merchant Marine Act, 1920.

June 6, 1924.
[H. R. 6202.]
[Public, No. 205.]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 11 of the Merchant Marine Act, 1920, be, and the same is hereby, amended to read as follows:

Merchant Marine Act, 1920.

Vol. 41, p. 993, amended

"SEC. 11. (a) That during a period of five years from the enactment of this Act (Merchant Marine Act of 1920) the board may annually set aside out of the revenues from sales and operations a sum not exceeding \$25,000,000, to be known as its construction loan fund. The board may use such fund to the extent it thinks proper, upon such terms as the board may prescribe, in making loans to aid persons citizens of the United States in the construction by them in private shipyards or navy yards of the United States of vessels of the best and most efficient type for the establishment or maintenance of service on lines deemed desirable or necessary by the board, provided such vessels shall be fitted and equipped with the most modern, the most efficient, and the most economical engines, machinery, and commercial appliances or, in the outfitting and equipment by them in private shipyards or navy yards of the United States of vessels already built, with engines, machinery, and commercial appliances of the type and kind mentioned.

Construction loan fund.

Creation of, from revenues of Shipping Board.

Loans from, to citizens for ship construction of best type equipment, etc.

Outfitting in American yards with best engines, etc., vessels already built.

"(b) The term 'vessel' or 'vessels,' where used in this section, shall be construed to mean a vessel or vessels to aid in whose construction or equipment a loan is made from the construction loan fund of the board. All such vessels shall be documented under the laws of the United States and shall remain documented under such laws for not less than five years from the date the loan is made; and, so long as there remains due the United States any principal or interest on account of such loan.

Term of "vessel" construed to be one, aided by loan.

Documenting for five years, etc., under United States laws.

"(c) No loan shall be made for a longer time than fifteen years. If it is not to be repaid within two years from the date when the first advance on the loan is made by the board, the principal shall be payable in installments to be definitely prescribed in the instruments. Such installments shall be made payable at intervals not exceeding two years; and in amounts not less than 6 per centum of the original amount of the loan, if the installments are payable at intervals of one year or less; and in amounts not less than 12 per centum of the original amount of the loan, if the installments are at intervals exceeding one year in length. The loan may be paid at any time, on thirty days written notice to the board, with interest computed to date of payment.

Time limit for loan. Payment in installments.

Installment intervals.

Payment in full allowed.

Interest rates.

While in coastwise trade or inactive.

In foreign trade.

Limit of loan.

Proviso.
Increase allowed on additional security.
Limitation.

Security for completion and repayment.

Preferred mortgage on completion of vessel.

Vol. 41, p. 1000.

Additional covenants to be prescribed.

Insurance against all insurable risks, required.

Premium payments agreements.

Reconditioning of vessels.
Vol. 41, p. 993.

Term to include most modern, etc., internal-combustion engines as propulsive power.

If engines built in United States for the Board or Government-owned merchant vessels, payment for, may be made from loan fund, etc.

Transfer from fund.

"(d) All such loans shall bear interest at rates to be fixed by the board, payable not less frequently than annually. During any interest period in which the vessel is operated exclusively in coastwise trade, or is inactive, the rate of interest shall be not less than $5\frac{1}{4}$ per centum per annum. During any interest period in which the vessel is operated in foreign trade, the rate shall be not less than $4\frac{1}{4}$ per centum per annum. The board may prescribe rules for determining the amount of interest payable under the provisions of this paragraph.

"(e) No loan shall be for a greater sum than one-half the cost of the vessel or vessels to be constructed; or, than one-half the cost of the equipment hereinbefore authorized for a vessel already built: *Provided, however,* If security is furnished in addition to the mortgage on the vessel or vessels, the board may increase the amount loaned, but such additional amount shall not exceed one-half the market value of the additional security furnished, and in no case shall the total loan be for a greater sum than two-thirds of the cost of the vessel or vessels to be constructed; or, than two-thirds of the cost of the equipment, and its installation, for vessels already built.

"(f) The board shall require such security as it shall deem necessary to insure the completion of the construction or equipment of the vessel within a reasonable time and the repayment of the loan with interest; when the vessel is completed the security shall include a preferred mortgage on the vessel, complying with the provisions of section 30 of the Merchant Marine Act, 1920, which mortgage shall contain appropriate covenants and provisions to insure the proper physical maintenance of the vessel, and its protection against liens for taxes, penalties, claims, or liabilities of any kind whatever, which might impair the security for the debt. It shall also contain any other covenants and provisions the board may prescribe, including a provision for the summary maturing of the entire debt, for causes to be enumerated in the mortgage.

"(g) The board shall also require and the security furnished shall provide that the owner of the vessel shall keep the same insured against loss or damage by fire, and against marine risks and disasters, and against any and all other insurable risks the board specifies, with such insurance companies, associations or underwriters, and under such forms of policies, and to such an amount, as the board may prescribe or approve; such insurance shall be made payable to the board and/or to the parties, as interest may appear. The board is authorized to enter into any agreement that it deems wise in respect to the payment and for the guarantee of premiums of insurance."

SEC. 2. That section 12 of the Merchant Marine Act, 1920, be, and the same is hereby, amended by adding at the end thereof a new paragraph to read as follows:

"The term 'reconditioned' as used in this section includes the substitution of the most modern, most efficient, and most economical types of internal-combustion engines as the main propulsive power of vessels. Should the board have any such engines built in the United States and installed, in private shipyards or navy yards of the United States, in one or more merchant vessels owned by the United States, and the cost to the board of such installation exceeds the amount of funds otherwise available to it for that use, the board may transfer to its funds from which expenditures under this section may be paid, from its construction loan fund authorized by section 11 of the Merchant Marine Act, 1920, so much as in its judgment may be necessary to meet obligations under contracts for such installation; and the Treasurer of the United States shall, at the

request of the board, make the transfer accordingly: *Provided*, That the total amount hereafter expended by the board for this purpose shall not in the aggregate exceed \$25,000,000. Any such vessel hereafter so equipped by the board under the provisions of this section shall not be sold for a period of five years from the date the installation thereof is completed, unless it is sold for a price not less than the cost of the installation thereof and of any other work of reconditioning done at the same time plus an amount not less than \$10 for each dead-weight ton of the vessel as computed before such reconditioning thereof is commenced. The date of the completion of such installation and the amount of the dead-weight tonnage of the vessel shall be fixed by the board: *Provided further*, That in fixing the minimum price at which the vessel may thus be sold the board may deduct from the aggregate amount above prescribed 5 per centum thereof per annum from the date of the installation to the date of sale as depreciation: *And provided further*, That no part of such fund shall be expended upon the reconditioning of any vessel unless the board shall have first made a binding contract for a satisfactory sale of such vessel in accordance with the provisions of this Act, or for the charter or lease of such vessels for a period of not less than five years by a capable, solvent operator; or unless the board is prepared and intends to directly put such vessel in operation immediately upon completion. Such vessel, in any of the enumerated instances, shall be documented under the laws of the United States and shall remain documented under such laws for a period of not less than five years from the date of the completion of the installation, and during such period it shall be operated only on voyages which are not exclusively coastwise."

Approved, June 6, 1924.

CHAP. 274.—An Act To amend section 2 of the Act entitled "An Act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916 (Thirty-ninth Statutes at Large, page 862).

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act approved December 29, 1916, entitled "An Act to provide for stock-raising homesteads, and for other purposes" (Thirty-ninth Statutes at Large, page 862), be, and is hereby, amended to read as follows:

"SEC. 2. That the Secretary of the Interior is hereby authorized, on application or otherwise, to designate as stock-raising lands subject to entry under this Act lands the surface of which is, in his opinion, chiefly valuable for grazing and raising forage crops, do not contain merchantable timber, are not susceptible of irrigation from any known source of water supply, and are of such character that six hundred and forty acres are reasonably required for the support of a family: *Provided*, That where any person qualified to make original or additional entry under the provisions of this Act shall make application to enter any unappropriated public land which has not been designated as subject to entry (provided said application is accompanied and supported by properly corroborated affidavit of the applicant, in duplicate, showing prima facie that land applied for is of the character contemplated by this Act), such application, together with the regular fees and commissions, shall be received by the register and receiver of the land district in which said land is located and suspended until it shall have been determined by the Secretary of the Interior whether said land is actually of that character. That during such suspension the

Provisos.
Aggregate limited.

Restrictions on sale within five years after completion, unless for specified price.

Date of completion, etc.

Depreciation allowed.

Reconditioning restrictions.

Documenting, etc.

Voyages not exclusively coastwise, required.

June 6, 1924.

[S. 381.]

[Public, No. 206.]

Public lands.
Stock-raising homesteads.

Vol. 39, p. 862, amended.

Character of lands for, to be designated.

Provisos.
Application for entry of undesignated lands.

Suspension until character of lands determined.